



ORIGINAL ARTICLE



## Farmers ' Brand Loyalty towards Chilli Seed in Guntur district of Andhra Pradesh

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### ABSTRACT

Purchasing pattern by farmers towards various seed brands of Chilli was investigated in Guntur District with sample of 120 farmers. Through Brand Loyalty matrix between brand commitment and brand support, the buying pattern was analysed. It was found that farmers belonging to cluster Loyals 42% and Habituals 23% repeatedly purchase the same brand with high product involvement, if they were satisfied about price, yield of brand. While Variety seekers 30% and Switchers 25% shifts to other brands if they have low product involvement with the various reason like trying of new brand and unavailability of credit on brand. It was observed that farmer willing to buy seed brand which gives higher yield irrespective of its higher cost.

**Key words:** brand commitment, brand support, Purchasing pattern, Product involvement

### INTRODUCTION

Andhra Pradesh, Telangana, Maharashtra, Karnataka and Tamil Nadu are major chilli producing states in nation which aggregates to nearly 75 per cent of the total chilli grown area. In the year 2018, Andhra Pradesh state alone have the acreage from 350,000 to 470,000 with raising production to 14 million bags (40 kg each). Among all the 13 districts of Andhra Pradesh, Guntur district has largest area under cultivation with 83,381 ha and production of 148.89 MT. Area under green chilli cultivation is 623 ha with production of 17444 MT and dry chillies it is 82758 ha

with the production of 501299.8 MT. The popular chili seed brands generally preferred by farmers in study area are 355 BYADAGI , BSS- 355 , VIKRANTH, GAYATRI-155, ROMY 21 VNR- 577. JINI 2626 , US 341 etc

In Asia, more than 40% of the farmers use hybrids seeds .When using hybrids, new seeds should be purchased each season. This may cost more money, but the resistance against diseases of hybrids need less spraying with pesticides. The yields are also higher, creating more opportunity to bring chillies to the market. By considering the circumstances and opportunities , the seed industry of both public and private sectors started releasing many number of F1-hybrid seed varieties with different brand name into the market to meet the demand of farmers. Hybrid seed of particular brand can be valued with regard to their potential and actual performance.

A strong and good quality brand attains trust, confidence, and reliability in farmer's mind. Brand image is the farmers impression about the brand's physical characteristics and performance. Brand loyalty makes them to choose the specific brand among large number of available brands for their cultivation purpose and if farmer didn't get the expected yield and returns for their expenditure, he will be switching to other brands or try new brand which can be generally termed as switchers or variety seekers. There is always a positive relationship between brand loyalty and brand preference of a product. Farmers loyalty can be gained when he is provided with good quality seed variety . The study on Farmers ' Brand Loyalty towards Chilli Seed in Guntur district of Andhra Pradesh is undertaken to give a in depth understanding of various reasons behind Farmers to purchase specific brand over the years and reasons for their switching motivation towards other brand .

## **DATA AND METHODOLOGY**

Purposively selected Guntur district as it always ranked first in the cultivation production. In the second stage, purposively selected two mandals in district i.e Vatticherukuru and Sattenapalli with maximum area of cultivation and production of crop. In third stage, three villages in each mandal were selected and hence, total of 6 villages were selected for the study. The selected villages were Gudipudi, Nandigama , Peddamakkena, Anantavarappadu, Vatticherukuru and Lemallepadu. From each village 20 farmers were selected randomly and total sample size of farmers was 120 from six villages of selected two mandals. Statistical techniques like percentage analysis and K clustering through SPSS was used.

## **RESULTS AND DISCUSSION**

There are 8 varieties of chilli seed belonging to 6 brands purchased by the farmers in these two mandals of Guntur district. Among the varieties 20 per cent of the farmers purchased 355 BYADAGI variety of Syngenta. Other varieties BSS-355 VNR -577, ROMY 21, GAYATRI - 155, JINI - 2626, US -341 purchased by 16.67 per cent, 14.17 per cent, 14.17 per cent, 13.33 per cent, 10 per cent and 6.67 per cent of the farmers respectively. Least purchased chilli seed variety was VIKRANTH with only 5 per cent of the farmers as shown in the ( Table 1). In the year 2017 among 8 varieties of chilli seed 21.67 per cent of the farmers purchased BSS-355 followed by ROMY 21, 355 BYADAGI, VNR 577, GAYATRI-155, JINI 2626, VIKRANTH and US 341 with 18.33 per cent, 15.83 per cent, 12.50 per cent, 11.67 per cent, 8.33 per cent, 6.67 per cent and 5 per cent purchases respectively. Coming to purchases in 2019 355-BYADAGI tops the list with 20 per cent followed by BSS-355, VNR-577, ROMY 21, GAYATRI-155, JINI 2626, US 341 AND VIKRANTH with 16.67 per cent,

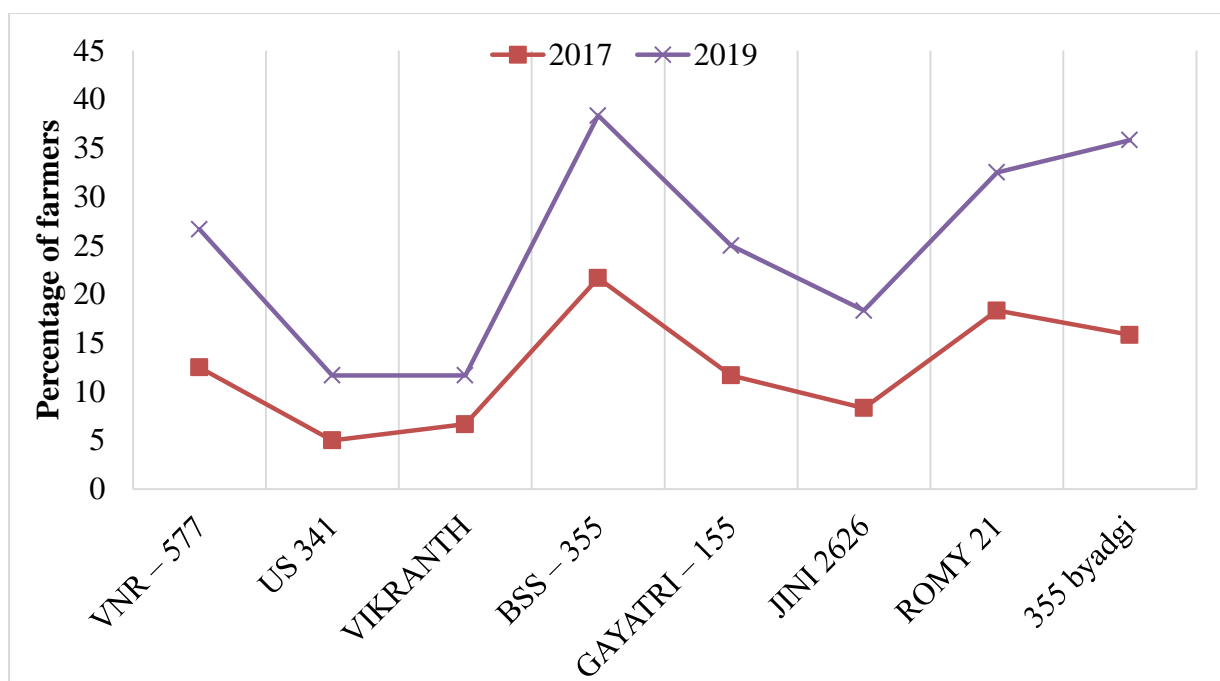
14.17 per cent, 14.17 per cent, 13.33 per cent, 10 per cent, 6.67 per cent and 5 per cent respectively as shown in the (Table 2) and Figure 1

**Table 1 : Current status of purchase for chilli seed brands by sample farmers**

S.no	Brand name(variety)	Frequency (No. of farmers)	Percent (%)
1	VNR – 577	17	14.17
2	US 341	8	6.67
3	VIKRANTH	6	5.00
4	BSS – 355	20	16.67
5	GAYATRI – 155	16	13.33
6	JINI 2626	12	10.00
7	ROMY 21	17	14.17
8	355 BYADAGI	24	20.00
	<b>Total</b>	<b>120</b>	<b>100</b>

**Table 2: Analysis of purchase pattern towards different brands by sample farmers**

S.No	Major Brand name (variety)	2017		2019	
		Frequency (No. of farmers)	Percent (%)	Frequency (No. of farmers)	Percent (%)
1	VNR – 577	15	12.50	17	14.17
2	US 341	6	5.00	8	6.67
3	VIKRANTH	8	6.67	6	5
4	BSS – 355	26	21.67	20	16.67
5	GAYATRI – 155	14	11.67	16	13.33
6	JINI 2626	10	8.33	12	10
7	ROMY 21	22	18.33	17	14.17
8	355 BYADAGI	19	15.83	<b>24</b>	<b>20</b>
	<b>Total</b>	<b>120</b>	<b>100</b>	<b>120</b>	<b>100</b>



**Fig 1: Analysis of purchase pattern towards different brands by sample farmers**

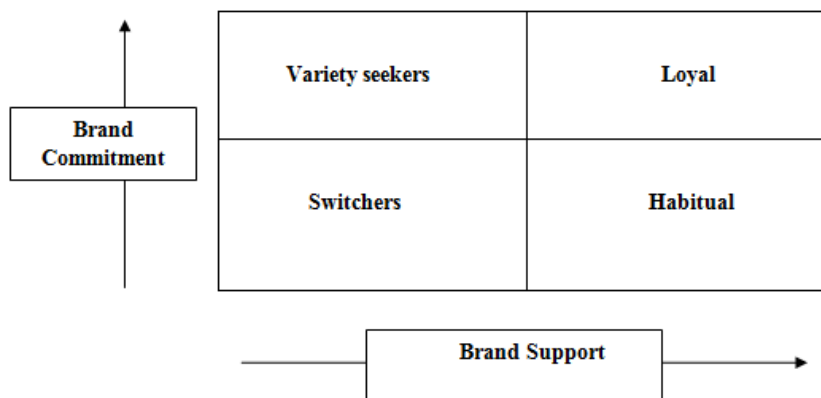
From the Table 3 it can be inferred that the cost of 355-BYADAGI brand for 10gm was Rs. 580 which was higher than other seed brands. Despite of its higher cost, farmers preferred 355-BYADAGI because of its resistance over pest and diseases. The cost of BSS-355, VIKRANTH, VNR-577, JINI 2626 was Rs. 550, 530, 510, 480 respectively and the cost of ROMY 21 and GAYATRI-155 was Rs. 450. US 341 was the lowest i.e. Rs. 430.

**Table 3 : Cost of seed for different chilli seed brands**

Brand /variety	Company	Cost of the seed (Rs)	packet size
VNR – 577	VNR seeds Pvt Ltd	510	10gm
US 341	Nunhems (BASF)	430	10gm
VIKRANTH	Kalash seeds Pvt Ltd.	530	10gm
BSS – 355	Kalash seeds Pvt Ltd.	550	10gm
GAYATRI - 155	kartikeya seeds(P)Ltd.	450	10gm
JINI 2626	Star field crop science	480	10gm
ROMY 21	Star field crop science	450	10gm
355 BYADAGI	Syngenta	580	10gm

### MEASURING BRAND LOYALTY AND SWITCHING BEHAVIOUR

Brand loyalty matrix includes brand commitment and brand support. Brand commitment was the consumer’s psychological attachment to a brand (Beatty and Kahle, 1988) and Brand support was a measure of brand buying behaviour that reflected the degree to which purchasing within a product category was devoted to a limited set of brands from the greater number that were available in the market place.



Brand commitment and brand support were necessary and sufficient conditions for loyalty to exist. Based on this measure, four consumer purchasing styles were identified and characterized as Loyals , Habituals, Variety seekers and Switchers.

### BRAND COMMITMENT AND BRAND SUPPORT OF THE SAMPLE RESPONDENTS

Using K means clustering procedure the sample respondents were grouped into four different clusters by using the various statements about brand commitment and brand support respectively. The clustering procedure was carried out using SPSS quick cluster.

The characteristics of each cluster and number of respondents in each are outlined below in Figure 2 and shown in Table 4 and 5

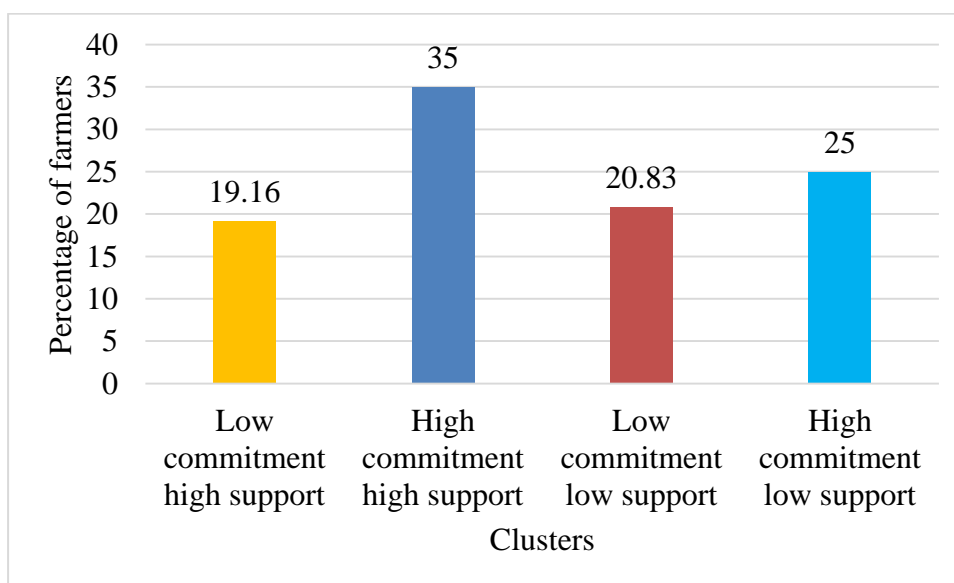
- 1) Cluster 1, low commitment high support, contained 23 cases, i.e.habituals
- 2) Cluster 2, high commitment high support, contained 42 cases, i.e.loyals
- 3) Cluster 3, low commitment low support, contained 25 cases, i.e. switchers
- 4) Cluster 4, high commitment low support, contained 30 cases, i.e. variety seeker

**Table 4. Number of cases in each cluster**

Number of Cases in each Cluster		
Cluster	1	23
	2	42
	3	25
	4	30
<b>Total</b>		<b>120</b>

**Table. 5 . Description of clusters**

Cluster	Description of cluster	Frequency (No. of farmers)	Per cent (%)
1	Low commitment high support	23	19.16
2	High commitment high support	42	35
3	Low commitment low support	25	20.83
4	High commitment low support	30	25
	<b>Total</b>	<b>120</b>	<b>100</b>



**Figure 2 . Distribution of respondents into cluster**

### SWITCHING MOTIVATION BEHAVIOR BY CLUSTER

The substantial differences between the recorded motivations for each of the clusters which provided enough information for naming the clusters and described the behavioural biases of respondents within each cluster as shown in the table 6

The major switching motivation for the ‘loyal’ cluster was high yield potential of seed with 52.38 percentage out of loyal cluster. and the second cluster ‘habitual’ mainly attach to the condition of routine behaviour of buying the same brand when it was available in near store or retail shop in the village which was reported as 43.47 percent sample farmers of group. The major reason for third cluster ‘variety-seeking’ was monotony feeling of farmer in using same brand over the years and want to try new brand (46.66 percent) and major reason for fourth cluster ‘switchers’ was farmer had bad past experience with usage of specific brand with low yield(40 percent) of cluster sample. Purchasers with low brand commitment as being immediately captured by another brand that offers a better credit availability by dealers.

**Table 5 Reported switching Motivation behavior by cluster n=120**

Switching Motivation factors	Cluster name							
	Loyals		Habituals		Variety seekers		Switchers	
	No. of switchers	%	No. of switchers	%	No. of Switchers	%	No. of switchers	%
Availability on credit on the present brand	10	23.8	5	21.73	–	–	3	12
Farmers want to try new brand	4	9.52	–	–	14	46.66	2	8
Bad past experience with brand usage	–	–	–	–	3	10	10	40
Price of seed	–	–	–	–	–	–	–	–
High yield potential of seed	22	52.38	8	34.78	5	16.66	–	–
Store location	6	14.20	10	43.47	–	–	2	8
Promotional strategies	–	–	–	–	8	26.66	8	32
<b>Total</b>	<b>42</b>	<b>100</b>	<b>23</b>	<b>100</b>	<b>30</b>	<b>100</b>	<b>25</b>	<b>100</b>

## CONCLUSION

Brand commitment and brand support were necessary and enough conditions for loyalty to exist. Based on this measure, four consumer purchasing styles were identified and characterized as Loyals with 35 percent, Habituals with 19.16 percent, Variety seekers with 25 percent and switchers with 20.83 percent. The major switching motivation for the loyal cluster was high yield potential of seed and credit availability, for habituals cluster it was availability in near store, for variety seekers cluster it was monotony feeling of farmer in using same brand over the years and want to try new brand and for switchers cluster it was bad past experience with usage of specific brand. As a whole it is suggested that, irrespective of companies farmers always prefer a seed brand which is high yield potential irrespective of its higher cost.

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